

154.34-010 Definitions for KRS 154.34-010 to 154.34-100.

As used in KRS 154.34-010 to 154.34-100, unless the context clearly indicates otherwise:

- (1) "Approved company" means any eligible company for which the authority has granted final approval of its application pursuant to KRS 154.34-070;
- (2) "Approved costs" means that portion of the eligible costs approved by the authority that an approved company may recover through the inducements authorized by KRS 154.34-010 to 154.34-100; however, approved costs shall not exceed ten percent (10%) of the eligible costs;
- (3) "Authority" means the Kentucky Economic Development Finance Authority created by KRS 154.20-010;
- (4) "Commonwealth" means the Commonwealth of Kentucky;
- (5) "Eligible company" means any corporation, limited liability company, partnership, limited partnership, sole proprietorship, business trust, or any other entity designated by the United States Department of Commerce, United States Census Bureau North American Industry Classification System code of 336211, 336111, 336112, or 336120 that employs a minimum of one thousand (1,000) full-time persons engaged in manufacturing at the same facility or at multiple facilities located within the same county, whether owned or leased, is located and operating within the Commonwealth on a permanent basis for a reasonable period of time preceding the request for approval by the authority of a reinvestment project which meets the standards set forth in KRS 154.34-070, and has not been an approved company in an industrial revitalization project under Subchapter 26 of KRS Chapter 154 for a period of at least five (5) years;
- (6) "Eligible costs" means:
 - (a) Obligations incurred for labor and to vendors, contractors, subcontractors, builders, suppliers, deliverymen, and materialmen in connection with the acquisition, construction, equipping, rehabilitation, and installation of an existing manufacturing reinvestment project;
 - (b) The cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of acquisition, construction, equipping, rehabilitation, and installation of a reinvestment project which is not paid by the vendor, supplier, deliveryman, contractor, or otherwise provided;
 - (c) All costs of architectural and engineering services, including estimates, plans and specifications, preliminary investigations, and supervision of construction, rehabilitation and installation, as well as for the performance of all the duties required by or consequent upon the acquisition, construction, equipping, rehabilitation, and installation of a reinvestment project;
 - (d) All costs required to be paid under the terms of any contract for the acquisition, construction, equipping, rehabilitation, and installation of an existing manufacturing reinvestment project; and
 - (e) All costs required for the installation of utilities, including but not limited to water, sewer, sewer treatment, gas, electricity, communications, and access to

transportation, and including off-site construction of the facilities paid for by the approved company;

- (7) "Equipment" means manufacturing machinery installed by the approved company at the project; however, equipment shall not mean accessories or appurtenances of existing or new manufacturing machinery including but not limited to molds, dies, or other attachments of a less permanent nature;
- (8) "Final approval" means the action taken after July 1, 2004, by the authority designating an eligible company that has previously received a preliminary approval as an approved company and authorizing the execution of a reinvestment agreement between the authority and the approved company;
- (9) "Inducements" means the Kentucky tax credits as authorized by KRS 154.34-010 to 154.34-100;
- (10) "Manufacturing" means any activity involving the manufacturing, processing, assembling, or production of any property, including the processing that results in a change in the condition of the property and any related activity or function, together with the storage, warehousing, distribution, and related office facilities;
- (11) "Preliminary approval" means the action taken by the authority designating an eligible company as a preliminarily approved company, and conditioning final approval by the authority upon satisfaction by the eligible company of the requirements set forth in the preliminary approval;
- (12) "Reinvestment agreement" or "agreement" means the agreement entered into pursuant to KRS 154.34-080 on behalf of the authority and an approved company with respect to a reinvestment project;
- (13) "Reinvestment project" or "project" means the acquisition, construction, and installation of new equipment and, with respect thereto, the construction, rehabilitation, and installation of improvements to facilities necessary to house the acquisition, construction, and installation of new equipment, including surveys; installation of utilities including water, sewer, sewage treatment, gas, electricity, communications, and similar facilities; off-site construction of utility extensions to the boundaries of the real estate on which the facilities are located; and shall contain eligible costs of not less than one hundred million dollars (\$100,000,000), all of which are utilized to improve the economic and operational situation of an approved company to allow the approved company to reinvest in its operations and retain or create jobs within the Commonwealth;
- (14) "State agency" means any state administrative body, agency, department, or division as defined in KRS 42.010, or any board, commission, institution, or division exercising any function of the state which is not an independent municipal corporation or political subdivision;
- (15) "Kentucky gross profits" means Kentucky gross profits as defined in KRS 141.0401; and
- (16) "Kentucky gross receipts" means Kentucky gross receipts as defined in KRS 141.0401.

Effective: July 12, 2006

History: Amended 2006 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 61, effective June 28, 2006. -- Amended 2006 Ky. Acts ch. 149, sec. 221, effective July 12, 2006. -- Created 2003 Ky. Acts ch. 148, sec. 1, effective June 24, 2003.

Legislative Research Commission Note (6/28/2006). 2006 (1st Extra Sess.) Ky. Acts ch. 2, sec. 73, provides that "unless a provision of this Act specifically applies to an earlier tax year, the provisions of this Act shall apply to taxable years beginning on or after January 1, 2007."